

## 1953 GRAIN AND INDUSTRIAL CROP PURCHASES BY STATE AND COOPERATIVE AGENCIES IN CHINA

\_Summary: Reports on the progress of the joint state and cooperative grain and industrial crop purchasing program indicate 1953 crop yields and market conditions in many areas of China.

A high percentage of the total marketed grain was purchased by state and cooperative purchasing agencies, ranging from 90 percent in Chekiang Province to 73 percent in Honan Province. Instances of competitive bidding and faulty division of labor between state and cooperative purchasing agencies were advanced to explain the failure to fulfill quotas in some areas.

Whereas 1953 grain production in the East China Administrative Area was substantially greater than in 1952, production in the Central-South Administrative Area was basically the same. The quality of the wheat crop harvested in the Northeast Administrative Area was inferior to that of the previous year.

Increases in the 1953 purchase for various grains ranged from 5 to 15 percent in different areas.7

STATE GRAIN AGENCIES AND COOPERATIVES MUST COOPERATE IN GRAIN PURCHASE WORK -- Peiping, Jen-min Jih-pao, 10 Oct 53

Failure of state grain agencies and cooperatives in some areas to cooperate closely in separate and joint purchasing operations has affected the state's grain purchase plan and weakened the state's leadership position in the market.

Some state grain agencies restrict the activities of cooperatives by limiting the number of cooperative purchase points in each haien and requirpoints. Some cooperatives contract with private merchants and use their 5 percent commission fee to bid up the market price against state grain agencies. Some state grain agencies pay a higher commission fee to private merchants for contract purchasing than they pay to cooperatives for the same service.

Generally speaking, the following division of labor should be effected between state agencies and cooperatives in grain purchasing. State agencies should undertake purchasing in the markets of large and medium cities and in the major hsien cities. Cooperatives should control purchasing in small hsien cities and in first-class markets below the hsien level. Local financial and economic committees must make appropriate arrangements in areas where both or neither state agencies and cooperatives are active in the market or where cooperatives are lacking.

WHEAT PURCHASING FLOURISHES IN NORTHEAST -- Tientsin, Ta Kung Pao, 15 Oct 53

By the end of September, the wheat purchase plan for the year beginning 1 July 1953 and ending 30 July 1954 had been 53.1 percent fulfilled in the Northeast Administrative Area.



In keeping with the actual condition of this year's wheat harvest, quality standards were lowered and the price of wheat was correspondingly increased. Regional variations in the wheat purchase price were adopted, the price in the frontier regions falling as much as 5 percent below the price paid in areas adjacent to railways.

Although the price of wheat rose, the price of flour and other raw grains remained basically unchanged.

CENTRAL-SOUTH ADMINISTRATIVE AREA STEPS UP FALL GRAIN PURCHASES -- Tientsin, Ta Kung Pao, 4 Oct 53

Wuhan, 3 October (Hsin-hua She) -- According to preliminary estimates, the total 1953 grain production in the Central-South Administrative Area will certainly be no less than last year and may increase slightly. Increases in the marketing of wheat in Honan Province and of early rice in Kwantung Province ensure that total area grain sales by the farmers will not fall below the 1952 level.

However, grain purchase work has developed very unevenly in the past month. The purchase plans for Hunan and Kiangsi provinces have not been completed on schedule and purchases in many hsien had to be halted for a time because of insufficient capital.

ACHIEVEMENTS OF SUMMER AND AUTUMN GRAIN PURCHASE IN EAST CHINA -- Peiping, Jen-min Jih-pao, 11 Oct 53

Wheat purchases in East China by 1 September had already exceeded the annual purchase plan by 39.42 percent and the amount purchased during the same period last year by 14.25 percent. Purchases of various kinds of autumn grain by 20 September amounted to 87.34 percent of the third quarter plan and exceeded the amount purchased during the same period in 1952 by 22.47 percent.

The average price paid for wheat at the nine major grain markets in East China exceeded last year's price by 14.7 percent and the prices of various autumn grains generally increased from 5 percent to 10 percent.

Cooperatives were particularly helpful in summer grain purchasing work, establishing 6,732 grain purchase points or more than eight times the number established by the state grain agencies.

KIANGSI PROVINCE THIRD QUARTER GRAIN PURCHASING A SUCCESS -- Tientsin, Ta Kung Pao, 15 Oct 53

During the third quarter, the relative proportion of grain purchased by the state increased 11.14 percent over that of the same period in 1952 and the actual amount of grain purchased increased 12.74 percent.

Whereas in 1952 only 31.6 percent of the total purchased was handled by cooperatives acting for the state grain agencies, this figure rose to 58.9 percent in the third quarter of 1953.



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PLANS FOR AUTUMN GRAIN PURCHASING IN SZECHWAN PROVINCE -- Peiping, Jen-min Jih-pao, 5 Oct 53

Cooperatives have been assigned the responsibility of carrying out 70 percent of the 1953 autumn grain purchase plan in Szechwan Province. More than 2,000 purchase points have been established up to the present.

SHANSI PROVINCE EXCEEDS SEPTEMBER GRAIN PURCHASE QUOTA -- Tientsin, Ta Kung Pao, 22 Oct 53

T'ai-yuan, 18 October (Hsin-hua She) -- The Shansi September grain purchase quota has been exceeded by 11.97 percent, with amounts of wheat up 6.8 percent and of autumn grain up 18.94 percent over the original plan. Total 1953 grain production will exceed that of last year by about 11 percent.

GRAIN PURCHASE SUCCESSES IN CHEKIANG PROVINCE -- Tientsin, Ta Kung Pao, 10 Oct 53

Comparison of 1953 rice production with that in 1952 reveals the following: early rice up 10 percent, middle rice slightly reduced because of drought, and late rice likely to increase.

Of the total grain brought to market, state grain agencies and cooperatives have purchased an average of 90 percent.

NEW RICE PURCHASING ACHIEVEMENTS IN HUNAN PROVINCE -- Tientsin, Ta Kung Pao, 10 Oct 53

The amount of new rice purchased in the period 1 July to 20 September increased 24.90 percent over that in the same period of 1952. According to statistics from 34 markets, the average price paid for grain increased 13.01 percent over that of the previous year.

AUTUMN GRAIN PURCHASES INCREASE IN HONAN PROVINCE -- Tientsin, Ta Kung Pao, 10 Oct 53

Grain purchases by state grain agencies and cooperatives in Honan Province by 20 September were 10 percent greater than in the same period for

However, the share purchased by the state and by cooperatives has not been according to plan, falling to 73 percent and 67.3 percent in two 10-day periods during September. Irresponsible purchasing agents and overemphasis on purchasing economic crops are mainly responsible for this unsatisfactory ratio.

GRAIN PURCHASE WORK IN HUNAN PROVINCE -- Tientsin, Ta Kung Pao, 15 Oct 53

Ch'ang-sha, 13 October (Hain-hua She) -- At the end of September, 48.61 percent of the 1953 Hunan Province grain purchase plan had been completed.

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TOBACCO PURCHASING IN HONAN PROVINCE -- Peiping, Jen-min Jih-pao, 10 Oct 53 As a result of new grading procedures, the average price paid for each catty of tobacco leaves purchased in Honan Province exceeded last year's price by 400 to 500 yuan. TRA PURCHASES BASICALLY COMPLETED IN CHEKIANG PROVINCE -- Tientsin, Ta Kung Pao, 7 Oct 53 Despite various natural calamities, the revised estimate of 1953 tea production in Chekiang Province is about 4 percent greater than last year's amount. The average purchase price of tea rose 17 percent over that in 1952 as a result of the higher quality of tea produced. However, state purchasing agencies was able to complete only 90 percent of their 1953 purchase plan. This was partly due to the activities of private merchants who outbid state agencies, with preliminary statistics showing the amount of tea placed on the free market to be over 15,000 catties. SHANTUNG PROVINCE COOPERATIVES PURCHASE COTTON -- Tientsin, Ta Kung Pao, 16 Oct 53 In September, 186,027 piculs of cotton were purchased by Shantung co-operatives. Although this represented only 81.5 percent of the September purchase plan, it was 62 percent greater than that purchased in September LARGE-SCALE COOPERATIVE PURCHASES OF SOYBEANS AND SESAME IN ANHWEI -- Tientsin, Ta Kung Pao, 30 Oct 53 According to incomplete statistics, the 558 cooperative purchase points in Anhwei Province purchased 24,030,000 catties of soybeans and 11,400,000 catties of sesame seeds in the period from 25 September to 10 October. In accordance with the flexible price policy, the original soybean purchase price in one hsien was increased from 720 yuan to 850 yuan per catty. Effective purchasing policies by the cooperatives resulted in their buying up over 90 percent of the soybeans and sesame seeds marketed STAT - E N D -STAT - 4 -

